

From: SI Reasoning
To: Microsoft ATR
Date: 1/23/02 2:45pm
Subject: Microsoft Settlement

Please do not allow the farce that is the Microsoft Settlement to be implemented. I am the CTO of a small business and I also do a lot of purchasing. I know firsthand the outrageous amount of money we are forced to spend on Microsoft products because of a lack of competition that has been created by Microsoft's monopolistic behaviors. Here are some of the problems I run against.:

We have been trying to implement a terminal server based system in the office. We have been forced to use Microsoft products because of the interaction necessary with several of our business partners. We are way too small to be able to lead in this area, even though we know better. The problem is, it used to be that you would consider software to be about 20-30% of your overall purchase of the machine, but because of competition in the market place in hardware and monopolistic tendencies in the software domain, the cost of buying our operating system, alone, is now 50% of the system costs. I recently bought a PIII 750 Compaq Server with 2 gig ram, 3 scsi Ultra2 36 gig 10,000 rpm hard drives, raid, etc for around \$1000. To update to an older version of Windows server (Windows 2000 with 25 CAL's) will cost us over \$1000. Then if we want to do a terminal server solution, the cheapest price I have seen is \$1,400 for 20 terminal server licenses. Then we have to buy the office software to run it. The cheapest price to buy an upgrade to Office XP is \$255 each! So that would be an additional \$5,100 for 20 users. The unfortunate thing is, it does not stop there. Because of the lack of competition, Microsoft forces us to buy over DOUBLE the licenses we need to implement the system. The problem is that we want a system that is available to our employees both in the office and away from the office. But because of the way they form the licenses you do not buy it per user but per computer. This means that we have to have a license for the office, for the home, and if they are on the road and need access in a hurry, any other computer that they end up having to use. It is a pricing nightmare and a huge strain.

As you can well imagine this puts an incredible hardship on small companies like us, esp during depressed times when we are having to cut costs in many areas. The pricing scheme is very predatory and it is obvious by looking at hardware what healthy competition does to pricing. Please do your part to restore competition in the software industry!

SI Reasoning
Chief Technology Officer
Protection Products, Inc.

